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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

VIPER CAPITAL MANAGEMENT, LLC,
et al.,

Defendants,

and

COMPASS WEST FUND, et al.,

Relief Defendants.

No. C 06-06966 SI and 06-7270 SI;
07-3995 SI, 07-3996 SI, and 07-3997 SI

(Formerly: U.S. Bk. Ct. N.D. Cal. Involuntary
Chapter 7 Case Nos. 07-40126T, 07-40129T,
07-40130T)

DECLARATION OF JAMES D. WOOD IN
SUPPORT OF REQUEST FOR ORDER BY
DEFAULT GRANTING EDWARD EHEE'S
MOTION FOR ORDER AUTHORIZING
SALE OF PROPERTY FREE AND CLEAR
OF YANG LIEN

[No Hearing Scheduled]

(Local Bankruptcy Rule 9014-1(b)(3))

In re:

EDWARD SEWON EHEE, et al.,

Debtors.

JAMES D. WOOD declares:

1. I am an attorney licensed to practice before the courts of the State of California

and before the United States District Court for the Northern District of California. I am counsel

WOOD DEC. IN SUPP. OF REQ. FOR ORD. BY DEF.
GRANTING EHEE'S MOT. FOR ORDER AUTH. SALE OF
PROP. FREE OF LIEN, No. C 06-06966 SI

1 of record to Edward Sewon Ehee in connection with the bankruptcy case captioned above in
2 which he is the debtor -- although not in connection with the other civil actions jointly captioned
3 above. This declaration is submitted in support of the motion referenced above filed in the
4 bankruptcy case. I have personal knowledge of the statements contained in this declaration.

5
6 2. On November 6, 2007 I filed the following documents in the above captioned case
7 (the "Moving Papers"):

- 8 a. Edward Ehee's Motion for Order Authorizing Sale of Property Free and
9 Clear of Yang Lien.
- 10 b. Notice and Opportunity for Hearing on Edward Ehee's Motion for Order
11 Authorizing Sale of Property Free and Clear of Yang Lien.
- 12 c. Memorandum of Points and Authorities in Support of Edward Ehee's
13 Motion For order Authorizing Sale of Property Free and Clear of Yang
14 Lien.
- 15 d. Declaration of Edward Ehee in Support of in Support of Edward Ehee's
16 Motion for Order Authorizing Sale of Property Free and Clear of Yang
17 Lien.

18 I contemporaneously filed a Certificate of Service for each of the foregoing documents.

19 3. None of the Moving Papers mailed to parties in interest on November 6, 2007 has
20 been returned to me by the U.S. Postal Service.

21 4. The time period for responding to the Moving Papers expired 20 days after
22 November 6, 2007 on November 26, 2007.

23 5. I have not received any written request for a hearing or objection to the Motion in
24 response to the Moving Papers.

25 6. I have spoken and/or corresponded with Joong M. Yang both before and after
26 serving the Moving Papers regarding the Motion including the reasons for Ehee's having
27 requested that the Court authorize the sale free and clear of his lien. Since filing the Motion, Mr.
28 Yang has provided me with certain documents substantiating the amount of his claim and the

1 circumstances of his loan to Ehee. Prior to the expiration of the deadline for objections on this
2 Motion, I E-mailed Mr. Yang that Mr. Ehee would file a request to release to him the funds
3 attributable to his lien if (a) he consented to the proposed sale of the property free and clear of his
4 lien, (b) he made certain representations to Mr. Ehee relating to the loan secured by his lien, and
5 (c) the amount of money he was claiming appeared to be proper. In response, on November 26,
6 2007, I received electronically from Mr. Yang the letter attached hereto as Exhibit A which,
7 among other things, consents to the relief sought by this Motion. However, Mr. Yang's letter
8 suggests that he believes that notwithstanding the proposed sale free and clear that interest on the
9 loan in question will continue to accrue at the amount provided for in the corresponding
10 promissory note until paid. Since receiving Exhibit A, I have written to Mr. Yang by E-mail. I
11 informed him that I did not believe interest at the full contract rate would properly continue to
12 accrue after the closing of a sale free and clear of liens pursuant to this Motion. I also informed
13 him that Ehee had not decided whether to contest payment of the full amount Yang claims in
14 Exhibit A will be due. I requested that he inform me immediately if, given the foregoing
15 circumstances he wished to withdraw his consent. I have received no response to my November
16 26, 2007 response described above. The material referenced in this paragraph is submitted to
17 establish that Mr. Yang timely received the moving papers served on November 6, 2007, has had
18 an adequate opportunity to object to the proposed sale free and clear of his lien, and has not done
19 so.
20
21
22

23 I declare that the foregoing is true under penalty of perjury under the laws of the United
24 States.

25 Executed on November 28, 2007.

26 /s/ James D. Wood

27 _____
James D. Wood

EXHIBIT A

November 20, 2007

Mr. James Wood, Esq.
3675 Mount Diablo Blvd., Suite 250
Lafayette, CA 94549

RE: \$200,000 Loan to Edward Ehee from Joong M. Yang

Dear Mr. Wood:

This is in response to your email dated November 14, 2007.

1. I am not regularly engaged in making consumer loans. I did not make five or more loans secured by real properties in 2005.
2. The summary of money due from Mr. Ehee is \$248,400 based on the anticipated close of escrow and payment by December 31, 2007, itemized as follows: the principal of \$200,000; the total interest payment of \$10,000 for the period from 1/1/07 to 3/31/07 at 20% interest; the total interest payment of \$36,000 for the period from 4/1/07 to 12/31/07 at 24% interest; and the total accrued late fees of \$2,400 at \$200 per month for the entire period of 12 months. This is in accordance with provisions in Exhibit B in the court papers dated November 5, 2007.
3. I hereby consent to the sale free and clear of my lien in accordance with the papers filed with the court on November 6, 2007.

As you stated in your email, upon receipt of this letter, you will prepare and file papers on Mr. Ehee's behalf requesting the court to authorize the payment of my note from the proceeds of the sale.

Sincerely,



Joong M. Yang